

2018 Current Fiscal Year Report: Rail Energy Transportation Advisory Committee

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1. Department or Agency		2. Fiscal Year	
Surface Transportation Board		2018	
3. Committee or Subcommittee		3b. GSA Committee No.	
Rail Energy Transportation Advisory Committee		33452	
4. Is this New During Fiscal Year?	5. Current Charter	6. Expected Renewal Date	7. Expected Term Date
No	09/20/2017	09/20/2019	
8a. Was Terminated During Fiscal Year?	8b. Specific Termination Authority	8c. Actual Term Date	
No			
9. Agency Recommendation for Next Fiscal Year	10a. Legislation Req to Terminate?	10b. Legislation Pending?	
Continue	No	Not Applicable	
11. Establishment Authority Agency Authority			
12. Specific Establishment Authority		13. Effective Date	14. Committee Type
Establishment of a Rail Energy Transportation Advisory Committee, STB Ex Parte No. 670		07/17/2007	Continuing
15. Description of Committee		14c. Presidential?	
National Policy Issue Advisory Board		No	
16a. Total Number of Reports	No Reports for this Fiscal Year		
17a. Open Meetings and Dates	17b. Closed Meetings and Dates	17c. Partially Closed Meetings and Dates	17d. Total Meetings and Dates
No Meetings			

	Current FY	Next FY
18a(1). Personnel Pmts to Non-Federal Members	\$0.00	\$0.00
18a(2). Personnel Pmts to Federal Members	\$0.00	\$0.00
18a(3). Personnel Pmts to Federal Staff	\$0.00	\$0.00
18a(4). Personnel Pmts to Non-Member Consultants	\$0.00	\$0.00
18b(1). Travel and Per Diem to Non-Federal Members	\$0.00	\$0.00
18b(2). Travel and Per Diem to Federal Members	\$0.00	\$0.00
18b(3). Travel and Per Diem to Federal Staff	\$0.00	\$0.00
18b(4). Travel and Per Diem to Non-member Consultants	\$0.00	\$0.00

18c. Other(rents,user charges, graphics, printing, mail, etc.)	\$0.00	\$0.00
18d. Total	\$0.00	\$0.00
19. Federal Staff Support Years (FTE)	0.00	0.00

20a. How does the Committee accomplish its purpose?

The Committee accomplishes its purpose by meeting at least twice a year to review industry sector reports related to rail transportation of energy resources and to discuss current and emerging issues.

20b. How does the Committee balance its membership?

The Committee currently consists of a maximum of 25 voting members, excluding the governmental representatives. This includes 5 representatives from the Class I railroads; 3 representatives from Class II and III railroads; 3 representatives from coal producers; 5 representatives from electric utilities (including one rural electric cooperative and one state- or municipally-owned utility); 4 representatives from biofuel feedstock growers or providers, and biofuel refiners, processors and distributors; 2 representatives from private car owners, car lessors, or car manufacturers; 1 representative from the petroleum shipping industry; and up to 2 other representatives with relevant experience but not necessarily affiliated with one of the aforementioned sectors. The three Members of the Surface Transportation Board serve as ex officio (non-voting) members of the Committee.

20c. How frequent and relevant are the Committee Meetings?

The RETAC charter directs the Committee to meet no less than twice a year. Through 2009, the Committee met quarterly. Starting in 2010, and going forward, it has met twice a year, typically in March and September. The Committee provides an important forum for representatives of different elements of the energy transportation supply chain to meet and explore issues involving the transportation of energy resources. Regular reports on energy supply chain performance measures and updates from members of the different industry segments represented on the Committee ensure that the work of the Committee remains timely and consistent with the the Committee's purpose and goals.

20d. Why can't the advice or information this committee provides be obtained elsewhere?

The Board views the reliability of the nation's energy supply as crucial to this nation's economic and national security, and the transportation by rail of coal and other energy resources as a vital link in the energy supply chain. The Board established RETAC as an advisory committee consisting of a balanced cross-section of energy and rail industry stakeholders to provide independent, candid policy advice to the Board and to foster open, effective communication among the affected interests on issues such as rail

performance; capacity constraints; infrastructure planning and development; and effective coordination among suppliers, carriers, and users of energy resources.

20e. Why is it necessary to close and/or partially closed committee meetings?

N/A

21. Remarks

The Board has continued to support RETAC as a forum that facilitates industry discussions to improve long-term demand forecasts and promotes dialogue on rail transportation issues of importance within the energy supply chain.

Designated Federal Officer

Kristen H. Nunnally DFO

Committee Members	Start	End	Occupation	Member Designation
Adamiak, Ginger	09/21/2007	09/30/2020	Vice President Sales and Marketing - Energy Markets and Shortline Relations, Kansas City Southern Railway Co. (RETAC Co-Chair)	Representative Member
Avery, Kent	09/30/2017	09/30/2020	PBF Refining	Representative Member
Begeman, Ann	04/30/2011	12/31/2018	Surface Transportation Board	Ex Officio Member
Cerwonka, Donna	08/05/2015	09/30/2018	CSX Transportation	Representative Member
Craig, Sean	07/22/2016	09/30/2019	Dairyland Power Cooperative	Representative Member
Duggan, George	10/07/2015	09/30/2018	BNSF Railway Co. (RETAC Co-Chair)	Representative Member
Eliason, Jeff	09/30/2009	09/30/2018	CHS Renewable Fuels	Representative Member
Elliott, Daniel	08/30/2009	12/31/2018	Surface Transportation Board	Ex Officio Member
Epting, Russ	08/05/2015	09/30/2018	CSX Transportation, Inc.	Representative Member
Fuller, Brian	09/15/2015	09/30/2020	Southern Company	Representative Member
Gray, John	09/30/2009	09/30/2018	CHS Inc.	Representative Member
Guy, Robert	07/22/2016	09/30/2019	United Transportation Union, Illinois State Director	Representative Member
Hamilton, Mark	07/22/2016	09/30/2019	Group VP Coal Transportation & Planning, Norfolk Southern Railway Co.	Representative Member
Hardman, Robert	10/27/2015	09/30/2018	Dynegy, Inc. (RETAC Co-Chair)	Representative Member
Harrison, Jill	09/19/2014	09/30/2020	Contura Energy Services, LLC	Representative Member
Hildebrand, Brad	01/24/2013	09/30/2018	Cargill	Representative Member
Hulick, Robert	07/22/2016	09/30/2019	Senior Vice President Business Development, TrinityRail	Representative Member
Huston, Mark	07/22/2016	09/30/2019	Director, North American Transportation, Louis Dreyfus Commodities	Representative Member

Johnson, Lee	01/24/2013	09/30/2018	Hess Corporation	Representative Member
McKechnie, Edward	07/22/2016	09/30/2019	Chief Commercial Officer, WATCO Companies	Representative Member
McLaughlin, Dan	09/21/2007	09/30/2020	Vice President & General Manager Agricultural Products - Union Pacific Railroad Co.	Representative Member
Miller, Deb	04/30/2014	12/31/2017	Surface Transportation Board	Ex Officio Member
Newton, Amy	01/24/2013	09/30/2018	Manager, Production-Fuels, City Utilities of Springfield, Missouri	Representative Member
Noem, Doug	08/07/2014	09/30/2020	National Corn Growers Association; Member Corn Board	Representative Member
Porter, Barbara	09/01/2008	09/30/2018	Vice President Logistics & Market Optimization, Arch Coal	Representative Member
Rackers, Dennis	12/31/2014	09/30/2020	Northern Indiana Public Service Co.	Representative Member
Rader, James	09/30/2017	09/30/2020	Greenbrier Management	Representative Member
Reck, Anthony	09/30/2009	09/30/2018	Chairman, President, CEO, Four Rivers Transportation, Inc.	Representative Member
Sabin, Daniel	09/21/2007	09/30/2020	President, Iowa Northern Railway Company (RETAC Secretary / Treasurer)	Representative Member
Yaeger, Scott	07/22/2016	09/30/2019	Vice President - Transportation, Americas Business Unit, Peabody Energy Corp.	Representative Member

Number of Committee Members Listed: 30

Narrative Description

This Committee provides a forum for the discussion of emerging issues and concerns regarding the transportation by rail of energy resources, particularly, but not necessarily limited to coal, ethanol, petroleum, and other biofuels. The Committee must, on request by the Board, and may, on request by the public, suggest to the Board appropriate policies or regulations with regard to the efficiency and reliability of the transportation of energy resources by rail.

What are the most significant program outcomes associated with this committee?

Checked if Applies

Improvements to health or safety	<input type="checkbox"/>
Trust in government	<input checked="" type="checkbox"/>
Major policy changes	<input type="checkbox"/>
Advance in scientific research	<input type="checkbox"/>
Effective grant making	<input type="checkbox"/>
Improved service delivery	<input checked="" type="checkbox"/>
Increased customer satisfaction	<input checked="" type="checkbox"/>
Implementation of laws or regulatory requirements	<input type="checkbox"/>
Other	<input type="checkbox"/>

Outcome Comments

Not Applicable

What are the cost savings associated with this committee?

Checked if Applies

None	<input type="checkbox"/>
Unable to Determine	<input checked="" type="checkbox"/>
Under \$100,000	<input type="checkbox"/>
\$100,000 - \$500,000	<input type="checkbox"/>
\$500,001 - \$1,000,000	<input type="checkbox"/>
\$1,000,001 - \$5,000,000	<input type="checkbox"/>
\$5,000,001 - \$10,000,000	<input type="checkbox"/>
Over \$10,000,000	<input type="checkbox"/>
Cost Savings Other	<input type="checkbox"/>

Cost Savings Comments

Not Applicable

What is the approximate Number of recommendations produced by this committee for the life of the committee?

8

Number of Recommendations Comments

RETAC, which was established in late 2007, issued a Capacity Planning White Paper in March 2009. The paper addressed the following issues: (1) How can large investments for energy source development, rail infrastructure, locomotives and rolling stock be made when the political and regulatory climate create so much uncertainty regarding the future use of coal as a primary fuel source in electric generation and renewable fuels as an additional energy source? (2) What is the nature and extent of the reserve capacity that railroads need in order to meet surges in volume and/or geographic and modal changes in sourcing regions for domestic energy transportation needs? (3) What mechanism is necessary to ensure that investments in capacity are made where and when needed? The full text of the white paper is available on the Board's website at this link:<http://www.stb.dot.gov/stb/docs/RETAC/Capacity%20White%20Paper%203-4-09.pdf>. Included in the white paper are approximately 8 recommendations of varying specificity directed to the STB. RETAC issued a Best Practices White Paper in September 2010, which focused on determining how the entire energy supply chain could be improved by identifying and analyzing best practices among the participants (coal producers, railroads,

and electric utilities). The full text of the white paper is available on the Board's website at this link:

[http://www.stb.dot.gov/stb/docs/RETAC/2010/September/Best%20Practices%20White%20Paper](http://www.stb.dot.gov/stb/docs/RETAC/2010/September/Best%20Practices%20White%20Paper.pdf)

The white paper did not include any recommendations directed specifically at the agency, but recommended that the information in the report be discussed in as many forums as possible.

What is the approximate Percentage of these recommendations that have been or will be Fully implemented by the agency?

50%

% of Recommendations Fully Implemented Comments

RETAC's activities have provided the Board an important forum and source of information on issues affecting the rail transportation of energy resources. Of the eight recommendations referred to above, STB is implementing one directly (continued support of RETAC as a mechanism for promoting industry dialogue, discussion and forecasting within the energy supply chain), and implementing several others indirectly—(1) promoting the development of industry best practices, (2) promoting the development of supply chain monitoring and reporting, and (3) facilitating methodologies within the energy supply chain to determine necessary levels and locations of needed and justified reserve transportation capacity—by encouraging the work of RETAC in the areas of best practices, performance measures, and capacity planning, respectively.

What is the approximate Percentage of these recommendations that have been or will be Partially implemented by the agency?

25%

% of Recommendations Partially Implemented Comments

One of the white-paper recommendations was to promote longer term policies that allow the railroads to earn sufficient revenues to permit them to build up to the reasonable reserve target levels. The Board implements this policy recommendation, in part, by carrying out in its decisionmaking process, as appropriate, the statutory policy directive of allowing rail carriers to earn adequate revenues. Another recommendation is to “develop methodologies to ensure STB regulatory action supports adequate transportation capacity to respond to reasonable changes in demand or source regions.” The Board implements this policy recommendation, in part, by carrying out in its decisionmaking process, as appropriate, the statutory policy directive to “ensure the development and continuation of a sound rail transportation system . . . to meet the needs of the public.”

Does the agency provide the committee with feedback regarding actions taken to implement recommendations or advice offered?

Yes ☒ No ☐ Not Applicable ☐

Agency Feedback Comments

As ex officio members of the Committee, the Board Members routinely attend and participate in RETAC meetings and have the opportunity to provide informal feedback to the Committee. In addition, Board members provided feedback via periodic individual conferences with the RETAC Co-chairs.

What other actions has the agency taken as a result of the committee's advice or recommendation?

Checked if Applies

Reorganized Priorities	<input type="checkbox"/>
Reallocated resources	<input type="checkbox"/>
Issued new regulation	<input type="checkbox"/>
Proposed legislation	<input type="checkbox"/>
Approved grants or other payments	<input type="checkbox"/>
Other	<input type="checkbox"/>

Action Comments

Not Applicable

Is the Committee engaged in the review of applications for grants?

No

Grant Review Comments

Not Applicable

How is access provided to the information for the Committee's documentation?

Checked if Applies

Contact DFO	<input checked="" type="checkbox"/>
Online Agency Web Site	<input checked="" type="checkbox"/>
Online Committee Web Site	<input checked="" type="checkbox"/>
Online GSA FACA Web Site	<input checked="" type="checkbox"/>
Publications	<input type="checkbox"/>
Other	<input type="checkbox"/>

Access Comments

N/A